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| Adopted | Rejected |
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COMMITTEE REPORT

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| YES: | 12 |
| NO: | 0 |

MR. SPEAKER:

*Your Committee on Labor and Employment, to which was referred House Bill 1523, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT concerning pensions.
- 3 Delete everything after the enacting clause and insert the following:
- 4 SECTION 1. [EFFECTIVE JULY 1, 2003] (a) As used in this
- 5 SECTION, "PERF board" refers to the public employees'
- 6 retirement fund board of trustees established by IC 5-10.3-3-1.
- 7 (b) As used in this SECTION, "fund" refers to the fund for the
- 8 defined contribution plan of the legislators' retirement system
- 9 established by IC 2-3.5-3-2.
- 10 (c) Beginning January 1, 2004, the PERF board shall conduct a
- 11 pilot program concerning:
- 12 (1) the implementation of a member's investment selection;
- 13 and
- 14 (2) the crediting of a member's contributions and earnings;

1 for the fund.

2 (d) The pilot program referred to in subsection (c) must include
3 the following elements:

4 (1) Notwithstanding IC 2-3.5-5-3(b)(2), the PERF board shall
5 implement a member's selection under IC 2-3.5-5-3 not later
6 than the next business day following receipt of the member's
7 selection by the PERF board. This date is the effective date of
8 the member's selection.

9 (2) Notwithstanding IC 2-3.5-5-3(b)(7), all contributions to a
10 member's account in the fund must be allocated under
11 IC 2-3.5-5-3 not later than the last day of the quarter in which
12 the contributions are received and reconciled in accordance
13 with the member's most recent effective direction.

14 (3) Notwithstanding IC 2-3.5-5-3(c) and IC 2-3.5-5-3(d), when
15 a member retires, becomes disabled, dies, or withdraws from
16 the fund, the amount credited to the member is the market
17 value of the member's investment as of five (5) business days
18 preceding the member's distribution or annuitization at
19 retirement, disability, death, or withdrawal, plus
20 contributions received after that date.

21 (4) Notwithstanding IC 2-3.5-5-4, contributions to the fund
22 under IC 2-3.5-5-4 must be credited to the fund not later than
23 the last day of the quarter in which the contributions were
24 deducted.

25 (5) Notwithstanding IC 2-3.5-5-5, the state shall make
26 contributions under IC 2-3.5-5-5 to the fund not later than the
27 last day of each quarter. The contributions must equal twenty
28 percent (20%) of the annual salary received by each
29 participant during that quarter.

30 (e) Before November 1, 2005, the PERF board shall report to the
31 pension management oversight commission established by

- 1 **IC 2-5-12 the results of the pilot program referred to in subsection**
- 2 **(c).**
- 3 **(f) This SECTION expires December 31, 2005.**
 (Reference is to HB 1523 as introduced.)

and when so amended that said bill do pass.

Representative Liggett